FACT SHEET

SUBJECT: Prime Vendor Initiative for Wood Products

BACKGROUND:

• This program targets customer requirements for large quantities of bulk lumber, millwork, and plywood used in military construction, major facilities maintenance projects, and other non-maintenance projects. It is designed to complement the Maintenance, Repair, and Operations Prime Vendor Program and allow DOD to utilize commercial inventories to satisfy customer needs within a short period of time while decreasing costs associated with repetitive buying and inventory management. The annual estimated potential sales for this program is \$110 million.

DISCUSSION:

 Customers receive competitive pricing, 7-day commercial deliveries, specific lengths, quantity sensitive discounts, commercial quality standards, rebates, commercial returns and warranties, and surge capability. Customers are able to place orders directly to the prime vendor via a web-based electronic order system and shipments will be sent directly from the vendor to the customer's designated delivery sites.

PROGRAM STATUS:

- AWARDED REGIONS
 - Mid-Atlantic awarded 14 May, 1998
 - Pacific Region (Korea, mainland Japan, Okinawa) awarded 30 July 1999
 - Southwest Region awarded 26 August 1999
 - Mid-West Region awarded 29 December 1999
 - Hawaii Region awarded 8 February 2000
 - Participating Customers: 82

Air Force: 15 Navy: 28 Army: 19 Marine Corps: 5 Other: 15

Mid-Atlantic Region Army

Aberdeen Proving Ground Base Supply Tobyhanna Army Depot Boxing and Crating

Fort Meade Base Supply

Southwest Region Army

Tooele AD Base Supply
Fort Irwin Base Supply
Fort Bliss Public Works

Fort Carson Facilities Maintenance

Midwest Region

Rock Island Arsenal Base Supply

Pacific Region Army

702nd Support Battalion Tongduchon Korea

USA Area 1 West Support Activity Munsan Korea

Pusan Storage Facility

34th Support Group Yongsan Korea

20th Support Group Pusan Korea

Camp Carroll Korea

23rd Support Group Pyongtaek Korea

348th Pyongtaek Korea

Sagami Storage Facility

Camp Kinser

• CONUS-ALL REMAINING REGIONS

Northeast, Southeast, Gulf States, Northwest are all under one solicitation. Regions to be awarded subsequently through March/April 2000.

OCONUS

Alaska Region: Target award date April 2000.

European Region: Original solicitation cancelled. Currently revising

statement of

work to incorporate latest developments in Europe for lumber support.

Upon

completion, will reissue solicitation. Target issue date is 31 March 2000.

RECOMMENDATION: For information only.

APPROVED: General and Industrial Director

T. Grace /IFC/(215) 737-7164/03-22-00